

NEWS RELEASE



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SOUTHERN DISTRICT OF CALIFORNIA
San Diego, California***

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For Immediate Release

NEWS RELEASE SUMMARY - November 8, 2004

United States Attorney Carol C. Lam announced that Luisa Rubi pled guilty today to federal money laundering charges arising from her role in a scheme to defraud investors. Rubi entered her guilty plea in U.S. District Court in San Diego, California, before the Honorable Thomas J. Whelan, admitting to one count of conspiracy to commit money laundering and one count of passport fraud. Rubi, who has been in custody since June 2003, was sentenced today to time served.

According to the plea agreement, between April and June 2002, Luisa Rubi and her husband, Edmundo Rubi, engaged in a series of Western Union money transfers from the Philippines to Chula Vista, California, that were designed to transmit \$50,000 to Luisa Rubi, while concealing that the funds were proceeds of a mail and wire fraud scheme that Edmundo Rubi had perpetrated. According to an indictment unsealed on June 10, 2003, Edmundo Rubi operated Knights Express, Ltd., and Djmler Enterprises, Inc. and utilized the businesses to perpetrate a scheme to defraud investors out of more than \$25 million.

In connection with her plea, Luisa Rubi admitted she knew the money transferred from the Philippines was derived from the illegal scheme. Luisa Rubi was aware that months prior to the money transfers, federal agents executed search warrants at the Rubis' residence and the business offices of her husband. In the months that followed the search warrants, Luisa Rubi attended numerous court hearings during which the fraudulent nature of her husband's business activities was discussed. Luisa Rubi was also aware that Edmundo Rubi was in the Philippines in violation of a court order.

The plea agreement also details how Luisa Rubi knowingly made a false statement in an application for a United States passport. Rubi stated that her previously issued passport had been misplaced, when in truth, as she then knew, her previously issued U.S. passport had been seized during the execution of a search warrant at her residence.

Edmundo Rubi is scheduled to begin trial on April 19, 2005.

This case is the product of a joint investigation by the Internal Revenue Service - Criminal Investigation Division, and the Bureau of Immigration and Customs Enforcement, Department of Homeland Security.

DEFENDANT

Luisa Rubi

SUMMARY OF CHARGES

Title 18, U.S.C., Section 1956(h) - Conspiracy to Commit Money Laundering
Maximum penalty per count: Twenty years; fine of \$500,000

Title 18, U.S.C., Section 1542 - Passport Fraud
Maximum penalty per count: Ten years; fine of \$250,000

AGENCIES

Internal Revenue Service - Criminal Investigation Division
Bureau of Immigration and Customs Enforcement - Department of Homeland Security